

**SECRET**

1 February 1967

**MEMORANDUM FOR THE DIRECTOR**

**SUBJECT: Ambassador Lodge's Monthly Report to the President**

1. There are two significant items in Ambassador Lodge's monthly report to the President.
2. The first deals with the somewhat strident Vietnamese reaction to the recent flurry of "peace talk" in the world press. One Saigon paper editorially warned against a "false peace" that might ensue from any negotiations with the Liberation Front, and another stated that any unilateral U.S. talks with the Front would "encroach upon the self-determination right of the Vietnamese people".
3. The second item is a statement by the Ambassador that the GVN has concluded that of all the things we are doing in Vietnam -- including bombing the North -- "the worst thing for them (to use Ky's phrase) is the political progress. Ambassador Lodge rightfully cites this as one of several signs of growing political maturity on the part of the present government.

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